

**Subject: AFFORDABLE HOUSING****Date:** Thu, 16 Jan 2003 17:16:03 -0800**From:** "john hunter" <hunterjohn@telus.net>

**To:** "FONVCA" <fonvca@fonvca.org>, "Co Mayor Don Bell" <don\_bell@dnv.org>, "Councillor Maureen McKeon Holmes" <mckeonholmes@telus.net>, "Councillor Richard Walton" <rwalton@dnv.org>, "Councillor Alan Nixon DNV" <anixon@dnv.org>, "Councilor Ernie Crist DNV" <ernie\_crist@dnv.org>, "Councilor Janice Harris DNV" <janice\_harris@dnv.org>, "Councilor Lisa Muri DNV" <lisa\_muri@dnv.org>

**CC:** "Allan Orr" <allandorr@shaw.ca>, "Angela Trudeau" <a.trudeau@canada.com>, "Bill Tracey DNV" <bill\_tracey@telus.net>, "Brian Platts DNV" <brian\_platts@telus.net>, "Cathy Adams DNV" <cathyadams@canada.com>, "Corrie Kost DNV" <kost@triumf.ca>, "Eric Anderson hotmail" <eric\_g\_andersen@hotmail.com>, "Maureen Bragg" <m.bragg@shaw.ca>, "Peter Thompson DNV" <bedeconsulting@shaw.ca>

Bill Tracey kindly gave his permission for me to forward his assessment of the advisability of DNV doing "affordable housing" (C. Crist notice of motion attached below).

Very impressive analysis Bill and for what it's worth I agree.

John

-----Original Message-----

From: Bill Tracey [[mailto:bill\\_tracey@telus.net](mailto:bill_tracey@telus.net)]  
 Sent: January 16, 2003 3:39 PM  
 To: john hunter  
 Cc: 'Peter Thompson'  
 Subject: Re: FW: Notice of Motion - Report Councillors Crist

John,

First, I think this is a provincial or federal issue, not municipal.

"Affordable" housing = "subsidized" housing. There are two ways of subsidizing:

- \* subsidize the occupant
- \* subsidize the developer/owner

Either way, the benefit is transitory.

If you subsidize the occupant, does the subsidy move with the occupant to wherever they go? If so, it amounts to income assistance, and we already have that in many forms and it is not adequate to provide housing, obviously. In any case, income assistance is not a municipal responsibility.

If you subsidize the developer/owner, another problem arises. If the developer/owner is an individual or a normal business it is practically impossible to prevent them from re-selling the subsidized property at some later date for at "market" price -- and gaining a subsidized profit. If the developer/owner is a "non-profit" organization and the property is never sold, then the occupants must be renters. Therefore, subsidized housing must be rental housing. Or it must be some form of strata title, with controlled resale pricing, as in a housing co-op as mentioned by Ernie. There still are management/maintenance fees and expenses, and eventually those overtake any initial savings from subsidizing the capital cost of the property, I believe. Therefore, the rental/maintenance cost of the property eventually has to rise to market levels or close to it. And then we're back to income

assistance, as before.

As for housing co-ops with rental based on income, there are far too many instances reported of relatively wealthy people being able to hide income and live very comfortably in housing that was meant for poorer people.

The only form of subsidy I can support for below-market housing would be tax relief for non-profit housing societies or co-ops. And that should be done on an annual basis, only after full financial disclosure by the applicants with time for public scrutiny prior to the decision to provide tax relief. For housing co-ops, the public disclosure should include a complete list of tenant names, as well.

Even then, I think this goes beyond the mandate of a municipal council, because it is really income re-distribution -- the taxes of the majority are made higher so that a few persons can benefit. That should not be done without the explicit approval of the majority. Most of the non-profit societies that would consider this form of housing would be registered as charities, and would already be using "tax" dollars in the form of income-tax rebates for charitable donations.

In any case, subsidized housing, if it is to be supported in the municipality, should not be built on newly-developed land. Such land incurs large infrastructure costs, and it is important to recoup as much as possible of those costs from the sale of the land. Moreover, newly-developed land usually is poorly served by transit, and presumably those who need housing subsidies cannot afford to operate a car. Rather, subsidized housing should be on re-developed land, near the centre (or downtown) of the municipality, where transit is already available and there is good access to shopping and other services, and to employment. Unfortunately, that often is where re-sale land costs are high. Therefore, the land cost must be made a relatively small part of the total cost, meaning that residential density must be high/medium or high-rise residences.

I can see absolutely no justification for subsidized single-family residences in North Vancouver District, nor for duplexes or four-plexes for that matter. Land costs are just too high. Low-cost housing must mean high-density housing, with a reasonable allowance of green space in the form of common parks and playgrounds in the vicinity.

And that's the last word!

Bill

-----Original Message-----

From: Ernie Crist [[mailto:ernie\\_crist@dnv.org](mailto:ernie_crist@dnv.org)]  
Sent: January 15, 2003 12:15 PM  
To: FONVCA (E-mail)  
Subject: FW: Notice of Motion - Report Councillors Crist

> -----Original Message-----

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> *Notice of Motion - Report Councillor Crist*  
>  
> *Recommendation*  
>  
> *That staff be requested to provide a report for Council's*  
consideration on proposals for the provision of non profit (affordable)  
housing as committed to by most candidates during the last Municipal  
election campaign in Nov 2002.  
>  
> *Reason for Report:*  
>  
> *Non profit ( affordable) Housing was one of the key issues advanced*  
during some of the all-candidates meetings in the last municipal  
election in November 2002. Virtually all Candidates agreed to support,

in principle, such initiatives if elected.

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> *The term "affordable" within in the context of the identified housing needs for low income people, including seniors, clearly means non profit housing since all housing, irrespective of its price, is affordable.*

The price range of housing in the District is anywhere from \$ 150,000 on Native Land to \$ 2 million in the rest of the municipality and there is no shortage of such housing. Since the market cannot provide housing at prices below the \$ 150,000 barrier the term affordable means non profit.

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> *Virtually all multi-family housing projects including those built in Lynn Valley in recent years have been presented to Council under the guise of affordable housing. But what was meant and built is ordinary market housing of which there was and never has been a shortage. On the other hand all such housing is outside the range of those who need housing with rents based on income.*

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> *Indeed a closer analysis reveals that the majority of housing units built in the Lynn Valley Core were sold not to local residents but to persons from other parts of the region thus exposing the housing for local needs theory for what it is - a developer's ploy to build housing without providing any benefit to the local community. On the contrary, such massive housing has resulted only in more traffic, more pollution and other undesirable by-products of increased density without providing any amenities.*

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> *The District has, in the past, made land available for non profit housing but this has not been the case during the last few years. There are, of course, several reasons for this. One is undoubtedly the difficulty by non profit housing organizations to obtain money from senior levels of government to finance such ventures. Yet another are difficulties in identifying and obtaining suitable land from the District and yet another may be resistance by community organizations to allow such forms of housing in existing residential areas.*

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> *In the past, Councillor Crist, through various initiatives and motions, proposed that 5% of all land sale proceeds be set aside for non profit housing and that such projects be part and parcel of integrated community and neighborhood developments. Councillor Crist also suggested that the District Heritage Fund be used for such purposes. This might include the financing of such projects provided that the money, including interest, is returned to Heritage Fund as the case may be.*

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> *Experience has shown that non profit housing is acceptable by the community provided*

> *a) it is part and parcel of an integrated community,*

> *b) such projects are small in scale,*

> *c) they are efficiently administered, as is the case in Seymour by the Seymour Lions for example,*

> *d) they are based on community needs rather than outside community or developer driven, and/or*

> *e) housing units are jointly owned resulting in pride of ownership as is the case with the Lynn Valley Co-op.*


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> *Any and all such criteria in the provision of non profit housing have been achieved in the past without altering the "sustainable community and neighborhood driven development philosophy pursued by the Federation of North Vancouver Community Associations, FONVCA, which allows meeting OUR own changing neighborhood and community housing needs - it should be possible to do so again. >*

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